

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 91-554-W - ORDER NO. 92-194 ✓  
MARCH 13, 1992

IN RE: Ashley Oaks Water System, Inc. -	)	
Application for approval to operate	)	
a water system and for approval of	)	ORDER APPROVING
a schedule of rates and charges for	)	RATES AND CHARGES
customers in the Ashley Oaks Water	)	
System, Inc. area, Ashley Oaks,	)	
Richland County, South Carolina.	)	

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of an Application filed by Ashley Oaks Water System, Inc. (Ashley Oaks or the Company) for approval for establishment of water rates and charges for service provided to its customers in its service area in the Ashley Oaks Subdivision, Blythewood, Richland County, South Carolina. The Company's August 29, 1991 Application was filed pursuant to S.C. Code Ann. §58-5-240 (1976, as amended) and R.103-821 of the Commission's Rules of Practice and Procedures.

By letter, the Commission's Executive Director instructed the Company to publish a prepared Notice of Filing, one time, in a newspaper of general circulation in the area affected by the Company's Application. The Notice of Filing indicated the nature of the Company's Application and then advised all interested parties desiring participation in the scheduled proceeding of the

manner and time in which to file the appropriate pleadings. The Company was likewise required to notify directly all customers affected by the proposed rates and charges. A Petition to Intervene was filed on behalf of Steven W. Hamm, the Consumer Advocate for the State of South Carolina (the Consumer Advocate).

A public hearing relative to the matters asserted in the Company's Application was held on February 11, 1992, at the Hearing Room of the Commission at 111 Doctor's Circle, Columbia, South Carolina. Pursuant to S.C. Code Ann., §58-3-95, a panel of three Commissioners composed of Commissioners Yonce, Arthur and Mitchell was designated to hear and rule on this matter. Ashley Oaks was represented by William F. Cotty, Esquire. Carl F. McIntosh, Esquire, represented the Consumer Advocate and F. David Butler, Staff Counsel, represented the Commission Staff.

The Company presented the testimony of Michael D. Shelley to explain the services being provided by the Company, the financial statements and accounting adjustments submitted, and the reasons for the requested rates. No other witnesses were presented.

#### FINDINGS OF FACT

1. The Company is a corporation organized and existing under the laws of the State of South Carolina. The Company is a water utility operating in the State of South Carolina and is subject to the jurisdiction of the Commission pursuant to S.C. Code Ann., §58-5-10 (1976) et. seq. Application of Company.

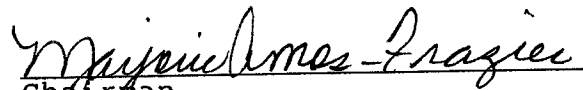
2. The Company, at present, provides water service to one customer in the service area which is Ashley Oaks Subdivision in Blythewood, Richland County, South Carolina. The system has a capacity for 65 users total.

3. The present case is an establishment case. The Company proposes the establishment of a \$7.00 per month basic facilities charge and a commodities charge of \$1.95 per 1,000 gallons used. The Company proposes an initial connection fee of \$800, a reconnection fee of \$30.00, and a finance charge for late payment of 1½% per month on the unpaid balance. The Company also requests approval of a \$20.00 return check charge and a \$50.00 deposit. The Company states that it is operating on a deficit each month since only one customer is presently on the system. As per the Company's Application, the Company expended \$90,000 for the construction of a system. The Company asserts that the establishment of the rates and charges herein is necessary in order for it to earn a fair return on its investments which is necessary to maintain the financial integrity of the Company. The establishment of the rates, according to the Company, will enable the Company to maintain the quality of service to its present customer.

4. An examination of the proposed rates of the Company show that if the proposed rates were granted, the proposed \$800 initial connection fee would be excessive and unreasonable. The Commission holds that the Company has justified a \$500 initial connection fee. Further, the Commission may not rule on the request for a return check charge since this charge is governed by state statute. Also,

the matter of a deposit is governed by the Commission's Rules and Regulations. After an examination of the Company's projected income and proposed expenses and considering the testimony of the witness and the record as a whole, the Commission is of the opinion that the Company should be granted the rates and charges that appear in Appendix A attached hereto, effective for service rendered on or after the date of this Order. The Commission is of the opinion that these rates are just and reasonable. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)

**APPENDIX A**

ASHLEY OAKS  
209 Blythewood Rd.  
Blythewood, SC 29016  
252-7130

FILED PURSUANT TO DOCKET NO. 91-554-W - ORDER NO. 92-194  
EFFECTIVE DATE: MARCH 13, 1992

**SCHEDULE OF RATES AND CHARGES**

WATER RATES:	\$7.00 Per month basic facilities charge \$1.95 per 1,000 gallons used
INITIAL CONNECTION:	\$500 per connection
RECONNECTION FEE:	\$30
BILLS DUE:	On billing date.
BILLING FREQUENCY:	Monthly for service in arrears.